STATEMENT OF MORTON I. ABRAMOWITZ - THE DIRECTOR OF INTELLIGENCE AND RESEARCH BEFORE THE SENATE SELECT COMMITTEE ON INTELLIGENCE

As the Director of the State Department's Bureau of Intelligence and Research, I am here in two capacities—consumer as well as producer of intelligence.

INR is a small organization, and cannot hope to compete with CIA or DIA for detailed analysis of economic or military data. In many areas we are consumers—sometimes perhaps retailers—of the product of other agencies. We do try to maintain enough in—house expertise 1) to understand the analytical methods involved and to be able to explain the degree of confidence or uncertainty attached to various conclusions, and 2) to produce our own competitive or gap—filling intelligence analysis of areas of special interest to the Department.

INR is a Departmental Organization; our interests and concerns reflect those of the Secretary and the operational Bureaus of the Department; our focus is policy analysis. This has two consequences:

--On a global basis, INR tends to spread its effort more evenly around the world than other intelligence agencies. Though the USSR is our largest single target,

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we have to use our limited resources to respond to the concerns of all areas.

--In terms of intelligence topics, our interests--the
Department's and INR's--tend to be selective. There are
many areas of concern to Secretary Weinberger that
obviously are not in State's purview. But there are
areas of military intelligence relating to arms control,
arms transfers and possible preparations for hostilities
which do concern us greatly. And over the years INR has
had to develop one or another degree of expertise in what
earlier would have seemed to be very esoteric subjects.

This hearing is yet another reminder of just how central to American concerns the USSR is. Even in third areas it is often the Soviet dimension that makes problems important. The problems of understanding the Soviet Union have always been difficult; they are likely to be even more difficult in the future than they have been in the past.

First, the USSR itself is changing. Much of what we know about the Soviet Union will probably have to be re-examined in the years ahead.

We have just been through a lurching series of leadership transitions—from Brezhnev to Andropov to Chernenko and Gorbachev. So far, policy changes under Gorbachev have been less dramatic than expected. There have been some surprises, to be sure. We had not expected him to name Shevardnadze

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foreign minister; his January 15 disarmament program was unexpected. But most of these have been changes in tactics rather than of radical new directions. Similarly, his talk of "acceleration"—the term is becoming a buzzword—of economics and societal development has so far produced relatively conservative changes.

One change is certain, however. After a long period of stagnation, the process of generational change is underway. The fundamentals of the Soviet system are hardly likely to be challenged by the new cadres moving up. But the strength and effect of institutional memory—vaunted in many different Soviet establishments—promises to erode. Some policy ideas unthinkable a decade ago may have their day. Changes may not be sudden—indeed the best bet is that change will be piecemeal and relatively slow. And it seems unlikely that Gorbachev's economic targets will be fully met. Nevertheless, we will see Moscow doing some new things in some new ways. And we will have to check and recheck our conventional wisdom about the USSR.

Second, the analytical problems for the Department are likely to be even more complex than in the past.

INR once had one analyst--one--who dealt with all the Soviet military estimates. In the thirty years since then, we have repeatedly found ourselves having to deal with degrees of

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detail and sophistication that would once have seemed implausible.

Three things changed:

- -- The USSR has become a major arms supplier and has extend its own military presence in the third world.
- --Arms control negotiations hae required Department officers to learn more and more about military forces and verification.
- --Technology-transfer issues have mushroomed and taken us into increasingly technical areas.

The result has been that the Department—and perforce INR—has a very irregular profile of interest in Soviet military topics. Specific Departmental concerns make it necessary for us to delve very deeply into the details of some issues. MBFR, for example, required us to learn arcane detail about Soviet manpower estimates. A faltering cease fire in the Middle East sent a Secretary of State to NPIC for a lesson in the PI's trade.

I will not try to guess where all of the world trouble spots will be. But one area seems to warrent special mention--Eastern Europe. The Soviet sphere in Eastern Europe has long been troubled, and one can describe the history of the warsaw Pact as an effort to institutionalize and stabilize relationships repeatedly undercut by local nationalism.

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The prospects are for change, strains and ultiumately instability. Each of the non-Soviet Warsaw Pact countries has its own internal problems that may get worse in coming years. Pact experience—be it the Prague spring in 1968 or the rise of Solidarity in Poland—suggests that crises, when they develop, will be <u>sue generis</u>. All the more need for us to make a continued effort to understand better these countries.

Our overall priorities for the years ahead are laid out in the intelligence strategy. From my vantage point I would stress the following Soviet subjects:

- --First is the political and economic workings of the Soviet system itself. With a generational change we will need to re-examine "What makes Moscow tick?" The same applies to the East Europeans.
- --Second is East-West issues. Arms control issues will be our biggest focus of attention but not the only one. We will of course need good basic military intelligence, both to aid in the design of proposals and to understand problems of verification. And we will have to work at integrating military analysis with political estimates of what the Soviets hope to achieve.
- --Third is regional issues. Soviet actions in the third world will be a continuing concern. We have to look carefully at how the Soviets react to areas of the world--I think particularly of Asia--where dramatic and rapid development is under way and the Soviets have been so slow to react to.

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If I have emphasized the need for going back to basics as we approach new and more complex analytical problems, it is because I agree with General Harkabi, the former head of Israeli Military Intelligence, who once said "the principal line of defense against surprise is not warning but understanding."